

## **DETAILED ACTION**

### ***Prosecution History Summary***

Claims 3-5 and 11-23 have been cancelled.

Claims 24-25 have been added.

Claims 1-2, 6-10, and 24-25 are pending and rejected a set forth below.

### ***Continued Examination Under 37 CFR 1.114***

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 11/14/09 has been entered.

### ***Response to Arguments***

Applicant's arguments filed 11/14/09 have been fully considered but they are not persuasive.

On pages 5-7, Applicant contests that the combination of Nahan and PTO 892 V fails to teach *changing said data record to reflect a new offer price from said second owner and posting said good on said market maker computer at said second owner offer price*. As cited, Nahan clearly teaches a computerized environment and further provides updating an item record/item history including previous prices paid for the item and an (see at least: col. 4 lines 54-58, col. 13 lines 3-12). As Nahan implies the sale and resale of items (e.g. as in speculative environments)

Art Unit: 3625

and further keeping an item history of prices paid, Applicant's assertion that "the function of Nahan must be *significantly* modified" are simply inaccurate. To the contrary, Nahan seemingly suggests such features as noted above as a history of prices paid is indicative of the sale and resale of an item. Moreover, the suggestion of the sale/resale (as with a speculative environment) of items would have been readily apparent to one of ordinary skill regardless of whether or not Nahan itself performed such sale/resale.

In addition, The Examiner notes that the question is whether such modifications would have been obvious. As set forth, one of ordinary skill in the art would have recognized the combination of features claimed to be obvious over Nahan and PTO 892 V.

As established on page 5 of the action mailed 11/14/2008, financial speculation involves exchanging ownership of an item from a first owner to a second owner and the second owner providing the purchased item for sale at an increased price. This aspect of changing price is analogous to Applicant's claimed feature of *changing the data record to reflect a new offer price and posting said good at the second offer price.* In this context, PTO 892 V provides adequate teachings that are equivalent to the missing claim features not taught by Nahan. For example, in the field of art speculation, PTO 892 V teaches where it is known for buyers to play the market by "buying art, waiting for a run-up in prices and selling" (see Box 1, also note Boxes 2-3). PTO 892 V further teaches where one investor "plans to raise prices on current Johns works by about 20% because of strong demand" (see Box 5). Lastly, PTO 892 V also teaches where "important paintings are being bought by investors" where "sometimes they don't even bother to pick them up" (i.e. no change to the item record outside of price) (see Box 4).

Art Unit: 3625

When taken in combination with the computerized environment of Nahan, Nahan and PTO 892 V teach Applicant's invention as claimed. More specifically, there was no technological advance beyond the skill shown in Nahan as the combination is merely the adaptation of an old idea or invention (i.e. speculation in the field of artwork, collectibles, or the like, which involves the changing of the items price – taught by PTO 892 V) using newer technology (i.e. Nahan) that is commonly available and understood in the art. The combination, then, would be obvious in order to gain the commonly understood benefits of such adaptation, such as facilitating the purchase and resale of artwork, collectibles, or the like for profit (see at least: PTO 892 V, Boxes 1 and 5). This would be accomplished with no unpredictable results. As stated in *Leapfrog*, "applying modern electronics to older mechanical devices has been commonplace for years." (Leapfrog Enterprises, Inc. v. Fisher-Price, 485 F.3d 1157, 82USPQ2d 1687 (Fed. Cir 2007)).

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**1. Claims 1, 6, 8-10, and 24-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Nahan et al. (US 5664111) in view of PTO form 892 reference V.**

**Regarding claim 1**, Nahan teaches a method for creating a computerized market for used goods and collectibles using a computer, a database and a plurality of participant terminals comprising the steps of:

*posting a used or collectable good on a market maker computer by creating a data record for said good having an item identification and offer price (see at least: abstract lines 4-9, col. 2 lines 57-59, col. 2 line 60-col. 3 line 9);*

*displaying in response to a participant request from said participant terminal to display said data record information on said participant terminal (see at least: abstract lines 14-18, col. 3 lines 6-9, col. 7 lines 60-62, col. 7 lines 65-col. 8 line 3, col. 8 Table 1 and lines 26-30, col. 9 lines 61-62, col. 10 lines 9-12 and 56-62, Fig. 6));*

*processing an order to buy said good from said participant terminal by transferring ownership of said good from a first owner to a second owner (see at least: abstract lines 24-30, col. 2 lines 42-45, col. 4 lines 1-6 and 32-35).*

Art Unit: 3625

Despite teaching the above, Nahan does not expressly teach *changing said data record to reflect a new offer price from said second owner and posting said good on said market maker computer at said second owner offer price*. Along these lines, however, Nahan does indeed teach an item history, the item history including previous prices paid for the item and an updated item record (see at least: col. 4 lines 54-58, col. 13 lines 3-12).

The above noted features are analogous to financial speculation in the arena of artwork, collectibles, and antiquities. Financial speculation involves the buying, holding, selling, and short-selling of stocks, bonds, commodities, currencies, collectibles, real estate, derivatives, or any valuable financial instrument to profit from fluctuations in its price as opposed to buying it for use or for income via methods such as dividends or interest. In other words, speculation involves exchanging ownership of an item from a first owner to a second owner and the second owner providing the purchased item for sale at an increased price (i.e. analogous to *changing the data record to reflect a new offer price and posting said good at the second offer price*). The noted features, then, would have been obvious because the incorporation of such features is recognized as part of the ordinary capabilities of one of ordinary skill in the art.

In this field of endeavor, PTO form 892 reference V teaches the advent of speculation in art auctions (see at least: Boxes 1 & 2). More specifically, PTO 892 V teaches where it is known in the art industry for speculators to buy large holdings of art for a quick profit, often times raising the prices and reselling the works because of strong demand (see at least: Boxes 3-5).

Art Unit: 3625

One of ordinary skill in the art at would have found it obvious to update Nahan using the well known aspect of speculation as found in PTO 892 V in order to gain the commonly understood benefits of such adaptation, such as facilitating the purchase and resale of artwork, collectibles, or the like for profit (see at least: PTO 892 V, Boxes 1 and 5). This would be accomplished with no unpredictable results. As stated in *Leapfrog*, "applying modern electronics to older mechanical devices has been commonplace for years." (Leapfrog Enterprises, Inc. v. Fisher-Price, 485 F.3d 1157, 82USPQ2d 1687 (Fed. Cir 2007)).

**Regarding claims 6 and 8-10**, Nahan in view of PTO 892 V further teaches:

**(6)** *electronically presenting a good from a first computerized market to a second computerized market for goods by transferring said data record created in said step of posting a good for sale from said first computerized market to said second computerized market* (see at least: col. 2 lines 57-59, col. 2 line 64-col. 3 line 6).

**(8)** *creating a data record of said step of transferring ownership of said good in said step of processing an order and storing said data record on a storage device owner* (see at least: abstract lines 24-30, col. 2 lines 42-45, col. 4 lines 1-6 and 32-35, col. 13 lines 3-12).

**(9)** *searching said data records from said step of creating a data record in response to a search request from a participant* (see at least: col. 13 lines 3-12).

**(10)** *analyzing said data records from said step of creating a data record to identify the price of a good over a predetermined period of time* (see at least: col. 13 lines 3-12).

Art Unit: 3625

**Regarding claims 24-25**, the Examiner further notes the recited “when” steps do not move to distinguish the claimed invention from the cited art. These phrases are conditional limitations with the noted steps not necessarily performed. Accordingly, once the positively recited steps are satisfied, the method as a whole is satisfied -- regardless of whether or not other steps are conditionally invocable under certain other hypothetical scenarios. [See: *In re Johnston*, 77 USPQ2d 1788 (CA FC 2006); *Intel Corp. v. Int'l Trade Comm'n*, 20 USPQ2d 1161 (Fed. Cir. 1991); MPEP §2106 II C].

Art Unit: 3625

**2. Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Nahan in view of PTO 892 V as applied to claim 1 above, and further in view of Shultz et al. (US 5056019).**

**Regarding claim 2,** Nahan in view of PTO 892 V teaches all of the above noted but does not expressly teach *clearing the transfer of ownership of said used good in said step of processing by debiting an account of said second owner*. Nahan, however, does indeed teach effecting payments as part of the transfer of ownership, the payment being made via a funds transfer (see at least: col. 14 lines 6-14). Such features, however, would be recognized as readily substitutable by one of ordinary skill in the art. For example, Shultz teaches a system where customers to use their debit cards to authorize the debiting of their bank accounts for the purchase amount (see at least: col. 6 lines 43-47). It would have been obvious to one of ordinary skill in the art to include debiting a account of a second user as taught by Shultz because the claimed invention is merely a combination of old elements that would have performed the same function separately as combined and one of ordinary skill in the art would have recognized that the results of the combination were predictable.



Art Unit: 3625

**3. Claim 7 is rejected under 35 U.S.C. 103(a) as being unpatentable over Nahan in view of PTO 892 V as applied to claim 1 above, and further in view of Abel et al. (US 5852809).**

**Regarding claim 7,** Nahan in view of PTO 892 V teaches all of the above as noted but does not expressly teach *automatically paying a commission to said computerized market from said transfer of ownership of said good by said computerized market deducting said commission from said purchase price paid to said seller*. In the same field of endeavor, Abel teaches a system for routing data and communications to one of a plurality of remote sites to promote reciprocal interaction among the remote sites (see at least: abstract). More specifically, Abel teaches *automatically paying a commission to said computerized market from said transfer of ownership of said good by said computerized market deducting said commission from said purchase price paid to said seller* (see at least: col. 1 lines 56-59, col. 2 lines 46-53, col. 14 lines 15-17). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention of Nahan and PTO 892 V to have included the noted features as taught by Abel because the incorporation of such features is no more than the combination of known prior art elements according to their established function yielding predictable results.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to WILLIAM J. ALLEN whose telephone number is (571)272-1443. The examiner can normally be reached on 8:00 AM to 5:30 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeff A. Smith can be reached on (571) 272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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Examiner, Art Unit 3625